

PART 4284 - GRANTS

Subpart J - Value-Added Producer Grants

TABLE OF CONTENTS

<u>Sec.</u>	<u>Page</u>
4284.901 Purpose.	1
4284.902 Policy.	1
4284.903 Program administration.	1
4284.904 Definitions.	1
4284.905 - 4284.906 [Reserved]	2
4284.907 Eligibility for grant assistance.	2
4284.908 Use of grant and matching funds.	4
4284.909 Limitations on use of funds and awards.	5
4284.910 Application processing.	6
(a) Applications.	6
(b) Required forms.	6
(c) Proposal.	6
4284.911 Evaluation screening.	8
4284.912 Evaluation process.	8
4284.913 Evaluation criteria and weights.	8
(a) Planning grants.	9
(b) Working capital grants.	12
4284.914 Grant closing.	15
(a) Letter of Conditions.	15
(b) Applicant's intent to meet conditions.	15
(c) Grant agreement.	15
4284.915 - 4284.999 [Reserved]	15
4284.1000 OMB control number.	16

PART 4284 - GRANTS

Subpart J - Value-Added Producer Grant Program

§ 4284.901 Purpose.

This subpart implements the Value-Added agricultural product market development grant program (Value-Added Producer Grants) administered by the Rural Business-Cooperative Service whereby grants are made to enable producers to develop businesses that produce and market Value-Added agricultural products.

§ 4284.902 Policy.

It is the policy of the Secretary of Agriculture to fund a broad diversity of projects that help increase the agricultural producers' customer base and share of the food and agricultural system profit.

§ 4284.903 Program administration.

The Value-Added Producer Grant program is administered by Cooperative Services within the Agency. *This Instruction is used by State Office personnel in administering the Value-Added Producer Grant (VAPG) program. In the VAPG program, activities through the awarding of grants are administered from the National Office. Post-award activities are administered by the State Offices.*

§ 4284.904 Definitions.

Planning Grants - Grants to facilitate the development of a defined program of economic activities to determine the viability of a potential Value-Added venture, including feasibility studies, marketing strategies, business plans and legal evaluations. *Planning grants can be used for feasibility studies, marketing plans, business plans and grant funds can be used to pay consultants that guide producers through the development processes. The planning activities must be related to the marketing of a value-added product; grant funds may not be used for planning activities related to production of a commodity or construction of a facility (e.g. production feasibility studies, environmental assessments for facility locations, engineering studies).*

Working Capital Grants - Grants to provide funds to operate ventures and pay the normal expenses of the venture that are eligible uses of grant funds. *Working capital grants can pay the operating expenses of new ventures just starting. If a venture has been operating for more than a year, it does not qualify for a working capital grant.*

§§ 4284.905 - 4284.906 [Reserved]

§ 4284.907 Eligibility for grant assistance.

(a) The proposed project must evidence a high likelihood of creating Value-Added for an Agricultural Product. *The purpose of the VAPG program is for producers to move into successful value-added businesses. This is not a research or a research and development program. This not a program to try untested ideas. Ventures should be such that there is a high probability of success.*

(b) Independent producers, Agricultural producer groups, Farmer or Rancher cooperatives and Majority-Controlled Producer-Based Business Ventures, are eligible for grants under this subpart.

(i) Independent producers are individuals or entities (including for profit and not for profit corporations, LLCs, partnerships or LLPs), where the entities are solely owned or controlled by Agricultural Producers who own a majority ownership interest in the agricultural product that is produced. An independent producer can also be a steering committee composed of independent producers in the process of organizing an association to operate a Value-Added venture that will be owned and controlled by the independent producers supplying the agricultural product to the market. Independent producers must produce and own the agricultural product to which value is being added. Producers who produce the agricultural product under contract for another entity but do not own the product produced are not independent producers.

(ii) Agricultural producer groups include general farm organizations such as the Farm Bureau, national commodity groups such as the American Soybean Association, and state commodity groups such as the Iowa Corn Growers Association. It is very important that the agriculture producer group identifies a specific set of producers they are helping. *It cannot be their entire membership because there is an appearance that grant funds are being used to fund the organization's general operations. Research and promotion boards can qualify if the project qualifies as a value-added project and if they identify the producers involved.*

§ 4284.907(b) (Con.)

(iii) A farmer or rancher-owned and controlled business from which benefits are derived and distributed equitably on the basis of use by each of the farmer or rancher owners. Those states that have cooperative incorporation statutes that allow non-producer membership and investment must be treated as a majority-controlled producer-based business venture. In these cases, producer ownership and control must be greater than 50 percent.

(iv) Majority-controlled producer-based business ventures are ventures where more than 50% of the ownership and control is held by Independent Producers, or, partnerships, LLCs, LLPs, corporations or cooperatives that are themselves 100 percent owned and controlled by Independent producers. Only 10 percent of available VAPG funds can be awarded to this type of applicant. Independent producers must own more than 50 percent of the venture and they must control more than 50 percent of the venture. Percent ownership is determined by the number of independent producer owners divided by the total number of owners. Investment levels are not considered.

(c) An applicant that is a Farmer or Rancher cooperative, an Agriculture producer group or a Majority-Controlled Producer-Based Business Venture must be entering into an Emerging Market as a result of the proposed project. An applicant that is an Independent Producer does not have to be entering into an Emerging Market. *An emerging market is a new or developing market for the applicant. That is, a market the applicant has not traditionally supplied. It can be a new product going into a new or existing market. It can be an old product going into a new market. The venture must be focused on this new or developing market.*

(d) No project may be the subject of more than one Planning Grant or more than one Working Capital Grant under this subpart. The same project may, however, be awarded one Planning Grant and subsequently apply for and receive a Working Capital Grant. *This applies to a single defined project. It can only receive one planning and one working capital grant in a subsequent funding cycle. If a group wants to do a feasibility study and a business plan, it should apply for both in a single planning grant. The same is true with working capital. If a venture cannot survive with one working capital grant, it probably is not viable or sustainable. In order for one project to be considered different from another, the project must produce a distinctly different value-added product, regardless of the raw commodity used.*

(e) Not more than one project per funding cycle per applicant may receive grant funding under this subpart.

§ 4284.908 Use of grant and matching funds.

(a) An application may be for either a Planning Grant or a Working Capital Grant, but not both.

(b) Grant funds may be used to pay up to 50 percent of the costs for carrying out relevant projects. Matching funds must be provided for the balance of costs.

(c) Matching funds may only be used for the same purposes allowed for grant funds.

(d) Planning Grant funds may be used to develop a business plan or perform a feasibility study to establish a viable marketing opportunity for a Value-Added producer. These uses include, but are not limited to, the following:

(1) Conduct, or hire a qualified consultant to conduct, a feasibility analysis of the proposed value added project to help determine the potential success of the project;

(2) Develop, or hire a qualified consultant to develop, a business operations plan that provides comprehensive detail on the management, planning and other operational aspects of the proposed project; and

(3) Develop, or hire a qualified consultant to develop, a marketing plan for the proposed Value-Added product(s) including the identification of a market window, potential buyers, a description of the distribution system and possible promotional campaigns;

(e) Working Capital Grant funds may be used to provide capital to establish alliances or business ventures that allow the producer of the Value-Added agricultural product to better compete in domestic or international markets. These uses include, but are not limited to, the following:

§ 4284.908(e) (Con.)

- (1) Establish a working capital account to fund operations prior to obtaining sufficient cash flow from operations;
- (2) Hire counsel to provide legal advice and to draft organizational and other legal documents related to the proposed venture;
- (3) Hire a Certified Public Accountant or other qualified individual to design an accounting system for the proposed venture; and
- (4) Pay salaries, utilities and other operating costs such as inventory financing, the purchase of office equipment, computers and supplies and finance other related activities.

§ 4284.909 Limitations on use of funds and awards.

- (a) In addition to the limitations provided in 7 CFR subpart A, neither grant nor matching funds may be used to fund architectural or engineering design work, or other planning work, for a physical facility; *Grant and matching funds cannot be used to plan or design the specific facility where the value-added work will occur.*
- (b) The total amount provided to any Value-Added project shall not exceed \$500,000;
- (c) The aggregate amount of awards to majority controlled producer-based business ventures may not exceed ten percent of the total funds obligated under this subpart during any fiscal year.

§ 4284.910 Application processing.

- (a) Applications. USDA will solicit applications on a competitive basis by publication of one or more RFPs. Unless otherwise specified in the applicable RFP, applicants must file an original and one copy of the required forms and a proposal.
- (b) Required forms. The following forms must be completed, signed and submitted as part of the application package. Other forms may be required. This will be published in the applicable RFP.
 - (1) Standard Form 424, "Application for Federal Assistance."

(2) Standard Form 424-A, "Budget Information–Non-Construction Programs."

(3) Standard Form 424-B, "Assurances--Non-Construction Programs."

(c) Proposal. Each proposal must contain the following elements. Additional elements may be published in the applicable RFP.

(1) Title Page.

(2) Table of Contents.

(3) Executive Summary. A summary of the proposal should briefly describe the project including goals, tasks to be completed and other relevant information that provides a general overview of the project. In this section the applicant must clearly state whether the application is for a Planning Grant or a Working Capital Grant and the amount requested. *The Executive Summary should be approximately one page in length and provide a concise description of type of work the Center will perform. It should summarize the tasks it will perform and it should state whether the grant is for planning or working capital purposes.*

(4) Eligibility. The narrative must include a detailed discussion of how the applicant meets the eligibility requirements.

(5) Proposal Narrative. The narrative portion of the proposal must include, but is not limited to, the following:

(i) Project Title. The title of the proposed project must be brief, not to exceed 75 characters, yet describe the essentials of the project.

(ii) Information Sheet. A separate one page information sheet listing each of the evaluation criteria referenced in the RFP followed by the page numbers of all relevant material and documentation contained in the proposal that address or support the criteria.

(iii) Goals of the Project. A clear statement of the ultimate goals of the project. There must be an explanation of how a market will be expanded and the degree to which incremental revenue will accrue to the benefit of the agricultural producer(s).

§ 4284.910(c) (5) (Con.)

(iv) Work Plan. The narrative must contain a description of the project and set forth the tasks involved in reasonable detail.

(v) Performance Evaluation Criteria. Performance criteria suggested by the applicant for incorporation in the grant award in the event the proposal receives grant funding under this subpart. These suggested criteria are not binding on USDA.

(vi) Proposal Evaluation Criteria. Each of the proposal evaluation criteria referenced in the RFP must be addressed, specifically and individually, in narrative form.

(6) Verification of Matching Funds. Applicants must provide a budget to support the work plan showing all sources and uses of funds during the project period. Applicants will be required to verify matching funds, both cash and in-kind. Sufficient information should be included such that USDA can verify all representations. *If matching funds are in cash, applicants must provide a copy of a bank statement showing a funds level adequate to cover the stated cash match. If a third party is providing cash for the match, the applicant must submit a letter from that party certifying that the party has the cash and will provide that cash to the applicant. If goods and/or services are donated, the application must include a signed letter from the party donating the services indicating a description of the goods/services, the value of the goods/services, and when the goods/services will be provided. Matching funds may not be spent or donated prior to the start of the grant period. Applications submitted without sufficient verification of all matching funds will be considered incomplete.*

(7) Certification. Applicants must certify that matching funds will be available at the same time grant funds are anticipated to be spent and that matching funds will be spent in advance of grant funding, such that for every dollar of grant that is advanced, not less than an equal amount of match funds will have been funded prior to submitting the request for reimbursement. *The applicant must include a signed certification with the application in order for the application to be considered complete.*

§ 4284.911 Evaluation screening.

The Agency will conduct an initial screening of all proposals to determine whether the applicant is eligible and whether the application is complete and sufficiently responsive to the requirements set forth in the RFP to allow for an informed review. Failure to address any of the required evaluation criteria will disqualify the proposal. Submissions which do not pass the initial screening may be returned to the Applicant. If the submission deadline has not expired and time permits, returned applications may be revised and re-submitted.

§ 4284.912 Evaluation process.

- (a) Applications will be evaluated by agricultural economists or other technical experts appointed by the Agency.
- (b) After all proposals have been evaluated and scored in accordance with the point allocation specified in the applicable RFP, Agency officials will present to the Administrator of RBS a list of all applications in rank order, together with funding level recommendations.
- (c) The Administrator reserves the right to award additional points, as specified in the applicable RFP, to accomplish agency objectives (e.g. to ensure geographic distribution, distribution of a commodity or accomplish presidential initiatives). The maximum number of points that can be added to an application cannot exceed ten percent of the total points of the original score.
- (d) After giving effect to the Administrator's point awards, applications will be funded in rank order until all available funds have been obligated.
- (e) In the event an insufficient number of eligible applications are received in response to a given RFP, time permitting, subsequent rounds of competition will be initiated by publishing subsequent RFPs.
- (f) Unless a proposal is withdrawn, eligible but unfunded proposals from preceding competitions in a given fiscal year will be considered for funding in subsequent competitions in the same fiscal year.

§ 4284.913 Evaluation criteria and weights.

Unless supplemented in a RFP, the criteria listed in this section will be used to evaluate proposals submitted under this subpart. The distribution of points to be awarded per criterion will be identified in the applicable RFP.

§ 4284.913 (Con.)

(a) Planning Grants.

(1) Nature of the proposed venture. Projects will be evaluated for technological feasibility, operational efficiency, profitability, sustainability and the likely improvement to the local rural economy. Points will be awarded based on the greatest expansion of markets and increased returns to producers. Evaluators may rely on their own knowledge and examples of similar ventures described in the proposal to form conclusions regarding this criterion. *Applicants must carefully explain what the proposed venture is to accomplish including how the applicant will add value to the products they produce. The applicant must describe the technology that will be used (including examples of the technology being used elsewhere). They must also describe how the customer base (demand) for the value-added product will be increased, and explain how they expect that the project will produce additional profits for the producer-owners of the venture. Thus, the reviewer must address three elements for this criterion:*

(i) reasonableness (including sustainability and viability) of the venture,

(ii) whether or not it will increase the demand for the product the producer(s) are producing, and

(iii) whether or not the producer(s) will increase their net return from the venture. If the applicant is a cooperative, Agricultural Producer Group, or a Majority-Controlled Producer-Based Business Venture, the proposed venture must focus on an emerging market which is defined as a new or developing market for the applicant. That is, a market the applicant has not traditionally supplied. Again, reasonableness is the controlling factor. More points should be awarded to ventures with proven technology that have a good chance of being both viable and sustainable. More points should also be awarded to proposed ventures that will expand the customer base and return more profits to producers.

(2) Qualifications of those doing work. Proposals will be reviewed for whether the personnel who are responsible for doing proposed tasks, including those hired to do studies, have the necessary qualifications. If a consultant or others are to be hired, more points may be awarded if the proposal includes evidence of their

availability and commitment as well. *Most applicants will not specifically identify a company or individual who will actually conduct the planning activities. For those applicants that do, look to see if the credentials of those identified to do the studies are provided, including education and experience. For those applicants that do not identify a specific company or individual, see if they at least understood the need for an independent entity to conduct the planning activities. Also see if they identified the general type of entity needed to conduct the planning activities, such as a university. A specific company or an apparently qualified individual identified will score higher than a general entity identified which will score higher than the recognition that an independent entity is needed which will score higher than no discussion at all. Applicants should not receive credit for feasibility studies, marketing plans or business plans that will not be conducted or developed by independent third parties. For other tasks such as accounting work or clerical work, the applicant may provide those services and be considered qualified if such qualifications are demonstrated.*

(3) Project leadership. The leadership abilities of individuals who are proposing the venture will be evaluated as to whether they are sufficient to support a conclusion of likely project success. Credit may be given for leadership evidenced in community or volunteer efforts. *This is from the producer prospective. Look at the qualifications of the steering committee or the one individual leading the effort. See if they have experience in business or community involvement. Those committees or individuals that have a strong background in business, finance, and the venture's technology should score the higher points. Those with civic, community, non-profit, charity, etc., leadership experience will score higher than those with no history of leadership responsibility.*

(4) Commitments and support. Producer commitments will be evaluated on the basis of the number of Independent Producers currently involved as well as how many may potentially be involved, and the nature, level and quality of their contributions. End user commitments will be evaluated on the basis of potential markets and the potential amount of output to be purchased. Proposals will be reviewed for evidence that the project enjoys third party support and endorsement, with emphasis placed on financial and in kind support as well as technical assistance. *There are three types of commitment to be addressed by applicants. First is the level of commitment from the producers. Second is the level of commitment from end-users of the product being produced. Third is the level of*

§ 4284.913(a)(4) (Con.)

commitment from local government officials, development groups, and institutions of higher education. For producer commitment, look at the number of producers currently involved, the potential number of producers that could and should become involved, level of potential agricultural production relative to the amount needed, and any cash contributions to help finance the planning needed. The number of producers should again be reasonable. Stating that all producers in the state will benefit is not very credible. For end-user commitment, look for any markets identified, potential buyers contacted, and potential commitment from end-users. Reasonableness in reaching end-user should be rated higher than optimistic projections. For local support, look for referenced letters of support from local and state government, other grants (non-Federal), and commitments to provide technical assistance or financial assistance from development groups. (Remember that the letters themselves should not be in the application, just the assurance they exist.) More points are to be given for those proposals that address the various aspects of commitment.

(5) Work plan/Budget. The work plan will be reviewed to determine whether it provides specific and detailed planning task descriptions that will accomplish the project's goals. The budget will be reviewed for a detailed breakdown of estimated costs associated with the planning activities. The budget must present a detailed breakdown of all estimated costs associated with the planning activities and allocate these costs among the listed tasks. Points may not be awarded unless sufficient detail is provided to determine whether or not funds are being used for qualified purposes. Matching funds as well as grant funds must be accounted for in the budget to receive points. *Here the applicant must state what tasks are to be done, when it will be done, who will do it, how long it will take, and how much it will cost. The plan must be comprehensive but easy to understand. Reviewers must be able to understand what is being proposed and how the grant and matching funds will be spent. The budget must be a detailed breakdown of estimated costs. These costs should be allocated to each of the tasks to be undertaken. Matching funds must be identified and also allocated to the various tasks proposed. The work plan/budget should be logical, realistic, and economically efficient. The most points should go to those proposals that best address these issues, and to those that associate tasks with costs and specific timeframes.*

(6) Amount requested. Points will be awarded based on the size of the grant request. Generally, requests for lower amounts will receive a higher score for this criterion than higher requests. The points to be awarded and request ranges will be established in the applicable RFP. *The ranges will be determined each year based on the distribution of requests. However, the most probable allocation is as follows. One half (1/2) point will be awarded for grant requests between \$450,000 and \$350,001, one (1) point will be awarded for grant requests between \$350,000 and \$250,001, one and one half (1 1/2) points will be awarded for grant request between \$250,000 and \$150,001, and two (2) points will be awarded for grant requests of \$150,000 or less.*

(7) Project cost per owner-producer. This is calculated by dividing the amount of Federal funds requested by the total number of producers that are owners of the venture. Points to be awarded will be established in the applicable RFP. *This is the number of producers who own the venture. It is not the number of producers who will benefit from the venture by merely selling the venture commodity. If a steering committee applies, the number used should be the number of members on the steering committee.*

(8) Presidential initiatives. Points may be awarded for proposals that focus on Presidential initiatives. Descriptions of these initiatives and the points to be awarded will be established in the applicable RFP.

(b) Working Capital Grants.

(1) Business viability. Proposals will be evaluated on the basis of the technical and economic feasibility and sustainability of the venture and the efficiency of operations. *Applicants are to describe the technical and economic feasibility of their proposed ventures. They should reference the feasibility study and business plan they should have prepared before applying for a working capital grant. They need to discuss the structural and operational aspects of the venture and how the venture will be viable and sustainable. The amount requested should be supported by references from the feasibility study and business plan. If the applicant is a cooperative, Agricultural Producer Group, or a Majority-Controlled Producer-Based Business Venture, the proposed venture must focus on an emerging market which is defined as a new or developing market for the applicant. More points should be awarded to those applications that make a strong case for viability and*

sustainability based on the feasibility and operational efficiency of the venture. Fewer points awarded to those relying on grants to make the venture sustainable. The grants are to be made for start-up costs, not for on-going expenses.

(2) Customer base/increased returns. Proposals that demonstrate strong growth in a market or customer base and greater Value-Added revenue accruing to producer-owners will receive more points than those that demonstrate less growth in markets and realized Value-Added returns. *Applicants must discuss how the venture will increase the customer base (demand) for the value-added product being produced and how more revenue/profits are returned to the producers. The pro forma financial statements should be one means of evaluating the expansion of the customer base and increased returns to the producers who own the venture. More points should be awarded to those ventures that result in the greatest increases in the customer base and the greatest increase in profits to producers.*

(3) Commitments and support. Producer commitments will be evaluated on the basis of the number of Independent Producers currently involved as well as how many may potentially be involved, and the nature, level and quality of their contributions. End user commitments will be evaluated on the basis of identified markets, letters of intent or contracts from potential buyers and the amount of output to be purchased. Proposals will be reviewed for evidence that the project enjoys third party support and endorsement, with emphasis placed on financial and in kind support as well as technical assistance. *There are three types of commitment to be addressed by applicants. First is the level of commitment from the producers. Second is the level of commitment from end-users of the product being produced. Third is the level of commitment from local government officials, development groups, and institutions of higher education. For producer commitment, look for referenced cash contributions/stock purchases to the venture, signed producer agreements that require delivery to the venture, letters of intent to deliver, and potential delivery of product to the venture. Actual versus potential commitments is better. For end-user commitment, look for referenced signed marketing agreements, referenced letters of intent to purchase product, or named potential end-users. Responsible, identified markets are worth more than optimistic market projections. For local support, look for referenced letters of support from local and state government, other grants, and commitments to provide technical assistance or financial assistance from development groups. The greater the commitment from these three sources, the greater the points awarded.*

§ 4284.913(b) (Con.)

(4) Management team/work force. The education and capabilities of project managers and those who will operate the venture must reflect the skills and experience necessary to effect project success. The availability and quality of the labor force needed to operate the venture will also be evaluated. Proposals that reflect successful track records managing similar projects will receive higher points for this criterion than those that do not reflect successful track records. *The applicant must describe the qualifications of those people who will manage and operate the venture. This includes the education and the experience of the management team. The applicant must also describe the potential labor force, including their education and experience. The producers' interests must be well protected. The applicant should describe how this is accomplished. Points are to be awarded on the basis of demonstrated skills and experience of both management and labor, and how the producers' interests are protected.*

(5) Work plan/Budget. The work plan will be reviewed for whether it provides specific and detailed planning task descriptions that will accomplish the project's goals and the budget will be reviewed for a detailed breakdown of estimated costs associated with the planning activities. The budget must present a detailed breakdown of all estimated costs associated with the venture's operations and allocate these costs among the listed tasks. Points may not be awarded unless sufficient detail is provided to determine whether or not funds are being used for qualified purposes. Matching funds as well as grant funds must be accounted for in the budget to receive points. *Here the applicant must state what tasks are to be done, when it will be done, who will do it, how long it will take, and how much it will cost. The plan must be comprehensive but easy to understand. Reviewers must be able to understand what is being proposed and how the grant and matching funds will be spent. The budget must be a detailed breakdown of estimated costs. These costs should be allocated to each of the tasks to be undertaken. Matching funds must be identified and also allocated to the various tasks proposed. The work plan/budget should be logical, realistic, and economically efficient. The most points should go to those proposals that best address these issues, and to those that associate tasks with costs and specific timeframes.*

(6) Amount requested. Points will be awarded based on the size of the grant request. Requests for lower amounts will receive a higher score for this criterion than higher requests. The points to be awarded and request ranges will be established in the applicable RFP. *The ranges will be determined each year based on the distribution of requests. However, the most probable allocation is as follows. One half (1/2) point will be awarded for grant requests between \$450,000 and \$350,001, one (1) point will be awarded for grant requests between \$350,000 and \$250,001, one and one half (1 1/2) points will be awarded for grant request between \$250,000 and \$150,001, and two (2) points will be awarded for grant requests of \$150,000 or less.*

(7) Project cost per owner-producer. This is calculated by dividing the amount of Federal funds requested by the total number of producers that are owners of the venture. Points to be awarded will be established in the applicable RFP. *This is the number of producers who own the venture. It is not the number of producers who will benefit from the venture by merely selling the venture commodity. If a steering committee applies, the number used should be the number of members on the steering committee.*

(8) Presidential initiatives. Points may be awarded for proposals that focus on Presidential initiatives. Descriptions of these initiatives and the points to be awarded will be established in the applicable RFP.

§ 4284.914 Grant closing.

(a) Letter of Conditions. The Agency will notify an approved applicant in writing, setting out the conditions under which the grant will be made.

(b) Applicant's intent to meet conditions. Upon reviewing the conditions and requirements in the letter of conditions, the applicant must complete, sign and return the Agency's "Letter of Intent to Meet Conditions," or, if certain conditions cannot be met, the applicant may propose alternate conditions to the Agency. The Agency must concur with any changes proposed to the letter of conditions by the applicant before the application will be further processed.

(c) Grant agreement. The Agency and the grantee must sign the Agency's "Value-Added Producer Grant Agreement" prior to the advance of funds.

§§ 4284.915 - 4284.999 [Reserved]

§ 4284.1000 OMB control number.

The reporting and recordkeeping requirements contained in this regulation have been approved by the Office of Management and Budget (OMB) and have been assigned OMB control number 0570-0039 in accordance with the Paperwork Reduction Act of 1995.